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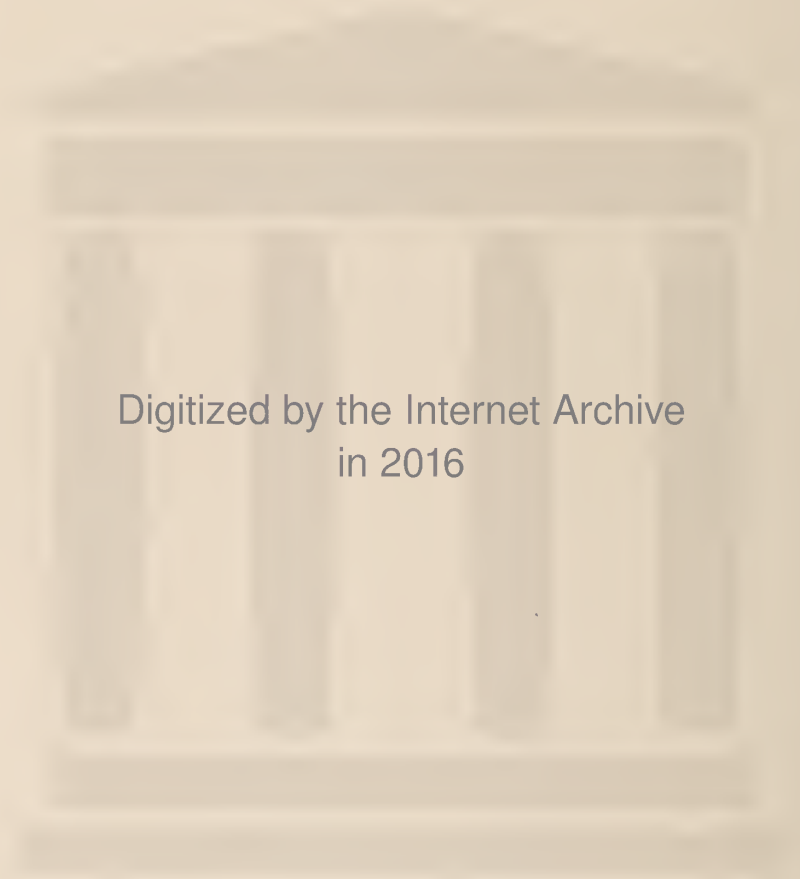
# THE DUTCH IN THE FAR EAST

BY AMRY J. VANDENBOSCH



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# The Dutch in the Far East

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THREE CENTURIES OR MORE AGO, the small band of fearless, seafaring people who inhabited the half-submerged deltas of the Rhine, Meuse, and Scheldt rivers, won a vast colonial empire. This was accomplished at the same time that the Dutch themselves were struggling for independence against the mightiest empire of that day. They were late in arriving in the Far East; the Portuguese and the Spanish had preceded them and had already obtained strategic footholds. But, within a few decades, the Dutch had carved out an enormous area of domination.

The Dutch had enjoyed a rich trade in spices and in other Asiatic commodities between the ports of Spain and Portugal and those of western and northern Europe. Philip II, however, stopped this commerce by closing the harbors of the Iberian Peninsula to the Dutch rebels. But the Dutch were not to be so easily thrust out of the profitable business of distributing the products of the Indies. They decided to send ships to the Indies and to engage in the trade direct, thus obtaining even greater profits. From 1595 to 1602 no less than sixty ships, in fourteen different expeditions, fitted out by as many different companies, set sail for the East Indies. The intense competition between the Dutch traders quickly forced prices up in the Far East and drove them down in the home markets. In order to prevent this destructive competition and to secure protection for this trade in distant waters, the States-General, in 1602, incorporated the East

Indian traders into the United East India Company and conferred upon the Company diverse rights of monopoly and sovereignty. To the exclusion of all other Netherlanders, the Company was given a monopoly of shipping and trade in the area east of the Cape of Good Hope and west of the Strait of Magellan, and also given the power to perform, in the name of the States-General, such acts of sovereignty as the making of alliances and contracts with princes and potentates of the Far East. The Republic retained only a right of control.

It was the United East India Company, with sovereign powers, which secured for the Netherlands its empire in the Far East. In 1605 the Dutch drove the Portuguese from Amboina and from the "Spice Islands," and in 1619 established themselves at Batavia. After their conquest of a British garrison at Amboina in 1623, the English abandoned trade in Japan, Siam, and in the East Indies. When the Dutch captured Malacca from the Portuguese in 1641, they were left alone in the East Indies until the Napoleonic Wars. The Dutch also set up factories or trading posts in Bengal and in Persia. In the period from 1638 to 1658 Ceylon was brought under their control. In 1624 they took possession of Formosa, but were able to retain control of that strategic island for less than forty years. In 1662 they were driven out by the native rebel Koxinga. In 1652 the United East India Company established a victualing station at Cape Town for ships en route to and from the East Indies. The original colony was not large; accessions from the outside were few and ceased altogether in 1707. Almost all of the present-day 1,200,000 Afrikaners, whose Dutch culture has been modified by isolation in a vastly different environment, are the descendants of the approximately 2,500 Europeans who were planted in the colony at Cape Town three centuries ago.

Early Dutch relations with Japan form one of the most interesting chapters in the history of international relations. The Portuguese and the Spanish had already been in Japan for many decades when the Dutch, in 1609, established a trading post at Hirado. The British, who had in 1613 likewise established a factory at Hirado, voluntarily abandoned it a decade later. In 1624, all Spaniards were driven from Japan, and in 1638 the Portuguese traders suffered the same fate. In 1636 the Japanese were forbidden to go abroad with the result that, from 1638 to the opening of Japan by Commodore Perry in 1854,

the only intercourse which Japan had with the outside world was through Chinese traders and the Dutch factory on the small island of Deshima, in the harbor of Nagasaki, to which island the factory had been moved in 1641. Except for this small aperture, Japan was hermetically sealed. Yet, through it the Japanese learned much of what was taking place in the outside world. Through it filtered scientific knowledge from the Western world. Many Dutch scientific books were printed and freely circulated in Japan from 1775 on.

A decade before Commodore Perry arrived at the doors of Japan, King William II of the Netherlands wrote to the Japanese Emperor a highly significant letter, warning him that the policy of seclusion could not be maintained much longer and advising him to adopt a policy of friendly, commercial relations as the only method of preventing conflicts with strong Western Powers. It was to the Netherlands Government that the United States Government turned, in preparing for Commodore Perry's mission, to request the good offices of the former in promoting its "amicable visit to the Japanese Islands." During the first few years after the establishment of diplomatic relations between Japan and the Western Powers, Dutch was the common medium of communication. Through the work of the Dutch-born and Dutch-trained missionary Guido Verbeck, Dutch cultural influences operated at a very formative period in the life of modern Japan. Verbeck, sent out by the (Dutch) Reformed Church of America, arrived in Japan a few years after its opening and became the intimate adviser of several of the younger leaders of the Meiji Restoration in 1868. From 1868 to 1878, a crucial decade in the development of Japan, Verbeck was in the employ of the Japanese Government. His influence, especially in the field of educational policy, was considerable.

With the opening of Japan in the middle of the last century, the special position of the Dutch in that country was lost. Even before this loss the Dutch empire in Asia had suffered some diminution. Successively the Dutch lost their small holdings in India. By the Treaty of Paris of 1784, which marked the end of the Fourth Anglo-Dutch War, the Netherlands ceded Negapatam to England. As the result of the Napoleonic Wars, Ceylon and Malabar were lost. In the Treaty of London of 1824, between the Netherlands and Great Brit-

ain, the Dutch relinquished Malacca and their remaining posts in India and surrendered their claim to Singapore in exchange for Bencoolen on Sumatra and for British claims to the island of Billiton. In the settlement after the Napoleonic Wars the Dutch also lost the Cape of Good Hope, the important half-way station to their possessions in the Far East.

It was not the original purpose of the United East India Company to set up a territorial dominion. Its primary objectives were commercial; but the Company was steadily compelled to shift from a commercial to a territorial basis, because it could not successfully trade unless it also governed. The continual warfare among the native peoples and the devious ways of the native rulers forced the Company into greater diplomatic, military, and political penetration. Nevertheless, until 1750, the government of the Company at Batavia stood at the head not of a territory, but of a series of scattered establishments stretching from Japan through the Malay Archipelago and India proper to Cape Town. After 1750 the replacement of the mercantile system by a territorial system proceeded much more rapidly, but the administrative penetration of the entire area which it had staked out for control was never completed by the Company. Indeed, it was not until a century after the Company had ceased to exist that an energetic campaign for the administrative penetration of the last remaining unoccupied parts of the Indies was undertaken.

When the shift to direct governmental control was made, the old Dutch Republic of the United Provinces gave way to the Batavian Republic (1795-1806). Although at the time the Dutch were strongly under the influence of French revolutionary ideas, no sharp break in colonial policy took place. Daendels, Dutch revolutionary patriot and later a general under Napoleon, did institute a number of reforms while he was Governor-General (1808-1811). He removed certain evils and abuses from the system of agriculture and from the delivery of products, and did much to transform the loose, commercial organization into a centralized state administrative system. But the fundamental spirit of the administration had changed little.

After the occupation of the Dutch possessions in the Far East by the British in 1811, "Java and its dependencies" were placed under Lieutenant-Governor Raffles, a subordinate of Lord Minto, then



Governor-General of India. Raffles instituted a number of reforms and by reason of his work in the Indies acquired a reputation as one of the greatest of British colonial administrators.

At the end of the Napoleonic Wars, Great Britain restored all of the Dutch colonies in the Far East, except Ceylon which had already been ceded to England by the Treaty of Amiens in 1802. The return by Great Britain of nearly all of the vast Dutch colonial empire in the Far East was prompted, in part, by a desire for a strong Netherlands, enlarged by union with Belgium, to serve as a buffer state against France. On the contrary, the cession of strategic bases to Great Britain formally marked the end of Dutch sea power in the Far East. Henceforth, the Dutch were largely dependent upon the British for the protection of their Asiatic empire.

In the decade immediately following the restoration, plans for opening the East Indies to private initiative and capital were seriously considered by King William I, whose control over colonial policy was practically unrestricted. Mounting deficits in the budget of the East Indies and the influence of his trusted adviser, Van den Bosch, caused the King to return to old practices. The plan proposed by Van den Bosch, and adopted by the King, is known as the Culture System. Under it the inhabitants, instead of paying to the Government a certain proportion of their crops, put at the disposal of the Government a certain proportion of their land and labor-time and, under the direction of the Government, cultivated crops for export. From a fiscal point of view the plan worked very well; for nearly half a century a stream of money flowed into the treasury of the Netherlands. But the system was not one calculated to improve the welfare of the natives, and by keeping out private enterprise the development of the country was retarded.

Beginning with the constitutional revision in the Netherlands, there slowly but steadily developed a more liberal attitude towards colonial policy. A number of liberal principles were written into the East Indian Government Act of 1854, but a more liberal policy was not immediately put into practice. Impetus to the new movement was given by the publication, in 1868, of the novel entitled *Max Havelaar*, written by a former Indies official, Eduard Douwes Dekker, under the pseudonym of Multatuli. With the passage of the

Agrarian Law in 1870, the fight against the Culture System was won. The movement for reform was aided by the rise of the middle class to political power. The middle classes reasoned that the replacement of the system of state exploitation by free private enterprise would result in a more rapid development of the Indies and, likewise, in a greater flow of profit to the Netherlands, although not directly to the Netherlands Government. The East Indies was progressively opened to private exploitation, with the Government increasingly acting as protector of the natives.

The advent to power in 1901 of the Kuyper Ministry, representing a coalition of Christian parties, marked another shift in spirit in colonial policy. In the *Speech from the Throne*, in 1901, there appeared the following significant passage: "As a Christian power, the Netherlands is obligated in the East Indian Archipelago to imbue the whole conduct of the Government with the consciousness that the Netherlands has a moral duty to fulfill with respect to the people of these regions. In connection with this, the diminished welfare of the population of Java merits special attention." This primary emphasis on the welfare of the population of the Indies received the term "ethical policy." In 1905, a forty million guilder advance from the Netherlands treasury was cancelled under the provision that a similar amount was to be spent by the East Indies Government during the course of the next fifteen years for the improvement of economic conditions in Java and Madura.

Until the opening of the People's Council in 1918, the East Indies Government was a highly centralized and bureaucratic organization. The first step in the direction of decentralization was made in 1903, when a number of district and municipal councils were created. A central representative body was established by the Act of 1916 and inaugurated on May 18, 1918, with the name of "People's Council" ("Volksraad"). In the beginning, the Council had merely advisory powers and only one-half of its members were elected. In 1927 it was given colegislative power with the Governor-General, and in 1931 the proportion of Indonesian members was increased. The membership of sixty was distributed among the racial groups as follows: Indonesians, thirty; Netherlanders, twenty-five; and Chinese and Arabs, five. Of the total membership, thirty-eight were elected by indirect



vote and the remainder were appointed by the Governor-General. In the two decades of its existence, the People's Council became a firmly established institution in the life of the community and developed into a very influential body.

Beginning in 1925, the work of decentralization and democratization of the governmental system was vigorously pushed; Java and Madura, although not large in area, were regarded as having much too great a population to permit the formation of a single intermediate political unit. Java and Madura were divided into three provinces, each with a population of about 14,000,000. At the head of each province was placed a governor who, in the administration of national functions, was responsible to the Governor-General and, for the administration of provincial affairs, was responsible to the Provincial Council. The governor was assisted in the administration of provincial functions by a committee chosen by and responsible to the Provincial Council. That ancient institution, the Javanese autonomous regency, was democratized by the creation of regency councils. Likewise, the urban municipalities were democratized, patterned on Western lines.

After the work of decentralizing and democratizing the governmental structure on Java had been completed, the task of reorganizing the government of the remainder of the Indies was undertaken. All the territory outside Java and Madura was divided into three "governments" as the intermediate units in the outer territories are called, namely, Sumatra, Borneo, and the Great East. The latter included the entire area east of Borneo and Java. These new governments began to function on July 1, 1938. It was planned to add representative bodies to these governments, thus transforming them into provinces as soon as possible. In the meantime, regional councils for areas inhabited by homogeneous ethnic groups would be created. One such body, the Minangkabau Council on Sumatra, by several years of successful operation, had already demonstrated the practicability of the regional council. Then, all these fruitful developments were cut short by the Japanese invasion.

When beginning the active preparation of the Indonesians for full participation in government the Dutch were rather slow, but in the brief span of years between the creation of the People's Council and

the Japanese invasion very great progress had been made. The Indies Government had acquired a large measure of autonomy, representative councils at all levels had been created, all with considerable legislative power, and Indonesians were increasingly associated with the Dutch in the administration of this large and economically important country in tropical Asia. Indonesians have held the highest positions in the Indies Government, with the exception of that of governor-general. At the time of the invasion, an Indonesian was burgomaster of Bandung, one of the largest cities of Java, the Department of Education had an Indonesian at its head, and two of the five members of the Council of the Indies were Indonesians. After the invasion of the Indies, an Indonesian was made a member of the Ministry of the Dutch Government in London. In the last two decades Indonesians have served as members of Netherlands delegations to the meetings of the League of Nations Assembly and the International Labor conferences. Likewise, Indonesians have represented the Netherlands on important international committees and commissions.

The economic development of the East Indies by the Dutch has evoked admiration from all peoples. Their success was primarily because of their application of scientific methods to the problems of agricultural production. Private enterprise and the Government had joined in the generous support of laboratories and experimental farms for the scientific study of tropical agriculture. Several of the chief products of Indies export, like cinchona and rubber, were not indigenous plants, but were taken to the Indies and there developed to a high state of yield and quality. After a professional tour of the countries of Southeast Asia, Mr. Rafael R. Alunan, Secretary of Agriculture of the Philippines declared, "In Java are found the best-equipped experiment stations of the Orient." He attributed the rapid and spectacular rise of Indies agricultural development to: (1) the liberal policy of the Government in extending help to the industries; (2) complete reliance on the results of scientific methods of production; and (3) the high plane of efficiency of the scientific institutes and experiment stations made possible by the generous support of the Government and private enterprise.

In the years immediately preceding the invasion, the world became very conscious of the Netherlands Indies as a producer of important

raw materials, some of which were of strategic significance for rearmament programs. The share by the Netherlands Indies in the world export of a number of commodities was as follows: cinchona, 91 per cent; pepper, 86 per cent; kapok, 72 per cent; rubber, 37 per cent; agave, 33 per cent; coconut products, 19 per cent; tin, 17 per cent; oilpalm products, 27 per cent; tea, 24 per cent; sugar, 11 per cent; coffee, 4 per cent; and petroleum, 3 per cent. The production of bauxite was not begun until 1935, but in 1940 the Indies was supplying 5 per cent of the world's output of this highly strategic mineral. It should also be noted that although the Indies' share of the world's production of oil was not large, there was, in reality, little oil produced in the Far East and, hence, the oil resources of the Indies were of great military importance. The value of the exports from the Indies in 1940 was 931,000,000 guilders, or \$493,000,000 in United States money. In 1928, before the World Depression had sent the price of raw materials down so drastically, the value of the Indies' exports was over 1,500,000,000 guilders.

Because of its liberal commercial policy in the Indies, the Netherlands did not enjoy a very large percentage of the foreign trade of its dependency. In 1938, 22 per cent of the Indies' imports came from the Netherlands and about 20 per cent of the Indies' exports went to the Netherlands. In 1933, at the height of Japanese competition, the figures were only 12 and 18 respectively. In the year immediately preceding the war, trade with the United States had increased remarkably. In 1940 the United States took over one-third of the exports of the Indies and tied first with Japan as a source of imports for the Indies; each of these countries supplied more than 23 per cent of the total imports in terms of value.

A large percentage of the huge exports came from Western enterprises. In 1939, over 40 per cent of the total value of exports came from Western agriculture and about 25 per cent from native agriculture. About 30 per cent of the value of exports in the year came from the mining industry, which was operated either by the Government, by mixed corporations in which the Government owned the controlling interest, or by Western corporations. Foreign investments in the Indies totaled between \$2,500,000,000 and \$3,000,000,000. Of this capital, about three-fourths was Dutch.

For a century after the Napoleonic Wars the Dutch were permitted to develop their vast empire in the East, relatively free from international tension. At the time of the opening of the Suez Canal the Dutch gave evidence of some nervousness. Large parts of the Indies had not yet been brought under effective military and administrative control and, with the new burst of imperialistic activity throughout the world, the Dutch had become apprehensive. For a brief moment they feared foreign intervention in their relations with the Achinese, a fanatic Moslem people in northern Sumatra, at the entrance to the strategic Malacca Straits. Alarmed, they plunged into the costly Achinese War, which engaged much of the energy and resources of the East Indies Government for decades, but which did finally end in an effective occupation of the entire territory. The Achinese War, however, retarded the social and economic development of the Indies, because it swallowed enormous government revenues which otherwise would have been used for education, social services, and developmental projects.

Had China been a united, strong, and aggressive state the million Chinese in the Indies might have caused the Dutch some uneasiness. Except for minor friction between Indonesians and Chinese, some difficulty about getting the Chinese Government and its consular officials to recognize Indies-born Chinese as Netherlands nationals, the numerous Chinese in the Indies gave little trouble; rather, they contributed greatly to the spectacular development of the country.

Dutch fears of Japanese intentions began during the First World War. There were indications that the Japanese were beginning to direct their thoughts southward. Articles began to appear in the Japanese press broadly hinting at the desirability of expansion in the Indies Archipelago, and the imperialistic policy Japan displayed toward China was not reassuring. The acquisition by Japan of the former German colonies in the southwest Pacific, as mandates of the League of Nations, caused further misgivings. The intense international rivalry for oil resources after the First World War and the fact that oil reserves in eastern Asia were meager, as well as the general tension prevailing in the Pacific, accentuated that fear. Dutch anxiety was momentarily allayed in 1922 by the Washington Conference, from which came a declaration by the British, French, Japa-



nese, and American governments that each was firmly resolved to respect the rights of the Netherlands in relation to insular possessions in the region of the Pacific Ocean. Fears arose again, however, at the Japanese commercial invasion of the Indies markets during the World Depression. During those years Japan supplied one-third of the imports of the Indies, but refused to increase materially its meager purchases of Indies exports. This intense rivalry extended also to the shipping business. The Dutch feared that the commercial invasion would be followed by political penetration.

Indeed, the political drive was not long in coming. The Japanese Government requested a commercial conference, which was granted by the Netherlands Government and was held at Batavia in 1934. The Japanese delegation used the conference for political purposes. In his opening speech, the chief of the Japanese delegation stated that the negotiations should be conducted primarily in the interest of the native population. Referring to the vast economic opportunities of the Indies, he hinted at joint Dutch-Japanese exploitation. In every way possible the Japanese ingratiated themselves with the Indonesian population. After six months of fruitless negotiations, the conference adjourned. A Japanese-Dutch shipping conference at Kobe in the following year was likewise abortive. However, during the next few years several issues between the two countries, notably the shipping controversy, were settled by piecemeal negotiations.

In the meanwhile, designs of Japanese aggression in the South Seas were assuming definite form. Articles in the press, speeches and interpellations in Parliament, naval and military activities all pointed to the same goal, accompanied, however, by simultaneous official and unofficial goodwill missions to the countries of this area. Then, in May, 1940, came the German invasion of Holland. The Japanese Government immediately began a diplomatic offensive culminating in another commercial conference at Batavia. The conference began in September, 1940, and dragged on until June of the following year; it was abruptly ended by Governor-General Tjarda van Starkenborgh Stachouwer with his polite but firm rejections of the sweeping economic and political demands of the Japanese delegation which would have made the Indies virtually a dependency of Japan. Six months later came the attack upon Pearl Harbor.



Although the Dutch and the Indonesians, two years before, feverishly, if belatedly, had begun to prepare for the expected attack, they had been hampered chiefly by an inability to procure armaments which had to come from abroad. Large and long-outstanding orders were never delivered. The Dutch and Indonesians fought valiantly, but to no avail. Practically all of the Netherlands officials in the Indies, including the Governor-General, remained at their posts; they now share the fate of the people with whom the Dutch have been associated for over three centuries. In the United States, in Australia, in England, in Surinam, and in Curaçao, Netherlanders and Indonesians are gathering from all over the world and laboring without pause to prepare the blow which will give deliverance from the enemy on the European continent and in the Pacific.

Before the German invasion of Holland the Indies had become a vital center of Dutch culture. Many Netherlanders had migrated to the Indies to make it their permanent home, to acquire a new fatherland. With the invasion of Holland the cultural, political, and economic autonomy of the Indies ripened with amazing rapidity. The Indies had become ready for a new status in the Netherlands Empire. This fact has been acknowledged in repeated declarations by the Prime Minister, the Minister of Colonies, and by the Minister of Foreign Affairs, but most notably by courageous Queen Wilhelmina, leader of her people in war as in peace. In a radio address to the Empire on December 6, 1942, she declared that it was her intention after the liberation "to create the occasion for a joint consultation about the structure of the Kingdom and its parts, in order to adopt it to the changed circumstances. . . . I visualize, without anticipating the recommendations of the future conference, that they will be directed towards a commonwealth in which the Netherlands, Indonesia, Surinam, and Curaçao will participate, with complete self-reliance and freedom of conduct for each part regarding its internal affairs, but with readiness to render mutual assistance."



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